

1. Introduction

1.1 Background of the study:

We are the student of BBA program in EWU, as a part of course 'consumer behavior' we have been highly encouraged to prepare a term paper like this. This course is basically based on how individuals feel, thinks, and acts in the market place. In this course it was mandatory to do practical study about consumers of a specific company or product.

While doing the course we have learned the factors of including a buyer's decisions, learning, attitude, memory, self-concept and other important things. To implement all of those factors and to get practical experience Mr. Farhan Faruqui, the course instructor of Consumer behavior (MKT 410) has given us this assignment on **'Lotto Bangladesh'** brand. Though Lotto offers various products such as Jacket, watch, Shoe, T-shirt, ladies bag, accessories etc here we choose Lotto shoe and try to make our term paper.

1.2 Objectives of the Study:

We the students of this university are very lucky for getting the chance to perform on such an important and real life situation based topic. Working on this topic was really a great opportunity to gather experiences and knowledge. We can learn a lot by studying this; like,

- a) We can know about the shoe brands of Bangladesh and also their position as well as the market situation.
- b) We can perceive the problems or issue in a real world situation of the different shoe brands.
- c) It can help us to improve our communication skills.
- d) There are some opportunities to apply theoretical knowledge.
- e) It may help to clear the marketing strategy as well as other marketing terms.
- f) It helps us to make a good relation as well as a strong communication between the group members. It provides us a good message, how to work with group members also how to manage.

1.3 Scope of the study:

The report is prepared concentrating on Lotto shoe. The area of the survey was only in Dhaka city especially East West University campus area, other university area, market, public place. It is a comprehensive report based on structured questionnaire survey, data calculation, people's opinion, our perception and knowledge, and books of Consumer Behavior. We tried our best to do a better report.

1.4 Limitations of the Report

While doing our term paper we had to face some problems for which it was not that easy for us to make our work properly flawless.. Some of our limitations are given below:

a) Shortage of time period:

This report is written within a shorter period of time since many days have passed during the exam time in our University. So the time constraint of the study hindering the course of vast area and time for preparing a report within the mentioned period is really difficult.

b) Busy working environment:

For the sake of busy working schedule, people did not want to attend the questionnaire.

C) Difficult to understand:

Two or three questions of the questionnaire were difficult to understand by the respondents.

d)Unaware about the brand:

There was lack of more respondents who had Lotto shoe or any idea about this brand.

1.5 Methodology

In order to attain the objectives, collection of primary data is necessary .This data will be used to analyze the problem statement. This term paper is prepared based on information collected through personal interview and analysis of collected data. we also collected information through internet.

Nature of study: Exploratory

Sources of information: Primary source and Secondary source.

Primary Source:

Primary source were randomly selected individuals. The following factors were considered to collect information.

- Sampling method: Convenient sampling
- Information collection instrument: Structured questionnaire for the responds Sample size: 60 individuals.

Secondary Source:

We collected other data from different sources:

- Websites (mentioned on the reference part).
- Advertisements of the companies.

Analysis of information: Statistical technique through MS Excel was used to analyze the collected data. Average, weighted average were used here.

Presentation of information: Collected and calculated information are presented in graphical forms.

2. Background of Lotto Shoe

Lotto is one of the renowned shoe companies in worldwide. It is an Italian sportswear manufacturing company. Lotto was established in 1973 by the Caberlotto family (who were the proprietors of the football team F.C. Treviso) in Montebelluna, northern Italy, and the world centre of footwear manufacturing.

In June 1973, Lotto made its debut as a sports footwear manufacturer. Tennis shoes signaled the beginning of production, followed by models for basketball, volleyball, athletics and footballs. In the 80s Lotto moved on to broaden its business base by competing among the then small group of manufacturers of football boots and clothing. The first sponsorship agreements in football were signed with players (Dino Zoff and Ruud Gullit) and teams, such as A.C. Milan (1993–98), the Netherlands national football team, Napoli, Juventus, Chievo Verona, and Real Zaragoza. Playing pros provided input in both the design and fine-tuning of the products. This involvement together with the athletes' public images helped make the company a leader in tennis and football. During this same period, Lotto expanded into the export market, and its international business grew rapidly. Ten years later the brand was being distributed in more than 80 countries around the world.

Today, the performance segment has now been strengthened, in line with the new corporate mission. Special focus is given to footwear. In the Bangladesh Italian sports brand Lotto has been selling their specific performance oriented and life style shoes and sandals, including various accessories items through Lotto Flagship outlets and selected retail chains (Gallerie Apex, Bay Emporium, Shoppers World, Agora and Swapno) since last year.

2.1 Basic information:

Lotto Shoe Company uses various Italian technologies held under the Lotto patents. Lotto shoes are comfortable and durable. A multitude of Lotto patented technologies are used to make shoes, such as 'ReActiveArch' that offers the greatest comfort to the legs while walking and 'Twistn'go' that reduces the chances of injury while playing along with being comfortable and light, these shoes also have foot-bed technology that creates an even surface for the soles of legs to rest upon. Moreover, even after long walks, these shoes prevent your legs from aching or sweating.



2.2 Lotto in Bangladesh:

In Bangladesh Lotto starting from Monday, January 2011. Lotto Sport Italia signed a 10-year licensing agreement with Express Leather Products Ltd for the production, distribution and retailing of footwear, accessories and in later stage apparel

The Italian sportswear company saw great potential of this emerging market in South East Asia featuring a population of nearly 160 million people and a very fast growing economy. The rapid increase in the disposable income taking place in Bangladesh and the growing interest shown by the local population in sports along with the relative absence of international sport brands through a stable presence in the Country have made apparent to Lotto the existence of an untapped and attar Lotto individuated in Express Leather Products Ltd a partner which not only has a deep market know-how but is at the same time motivated by a strong commitment to fully exploit the brand potential in the Country.



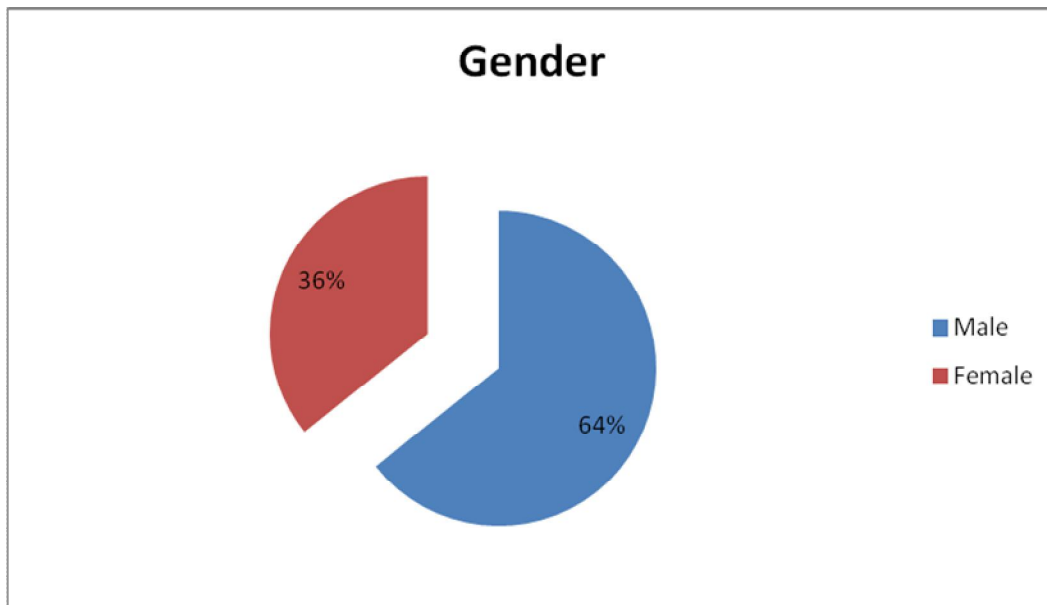
3. Analysis of Consumer Behavior

3.1 Profile of target Market:

Target markets are specific market segments that businesses identify as being more likely to buy their goods or services than other market segments. Identifying the target market is an essential step in the development of a marketing plan. A target market can be separated from the market as a whole by geography, buying power and demographics, as well as by psychographics. Target market is also based on some criteria such as lifestyle, patterns of spending money, time, age, group, gender, social and economies condition. **Lotto Bangladesh (Lotto shoe)** that contains all available information about its target market. In this report we will discuss depending on the survey that we have done on 70 people. We tried to find out what types of shoe and which shoe company they most prefer to buy.

3.1.1 Gender:

Most of the products are designed to target specific group of customer. In this case to understand the sensitivity and the variation between the male and female respondents we have divided our total sample in two groups male and female. Basically shoes are purchased by both male and female. As a result we have done to 45 male and 25 female for survey. According to our survey we tried to find out the ratio of male and female buyers of shoe.



Strategy:

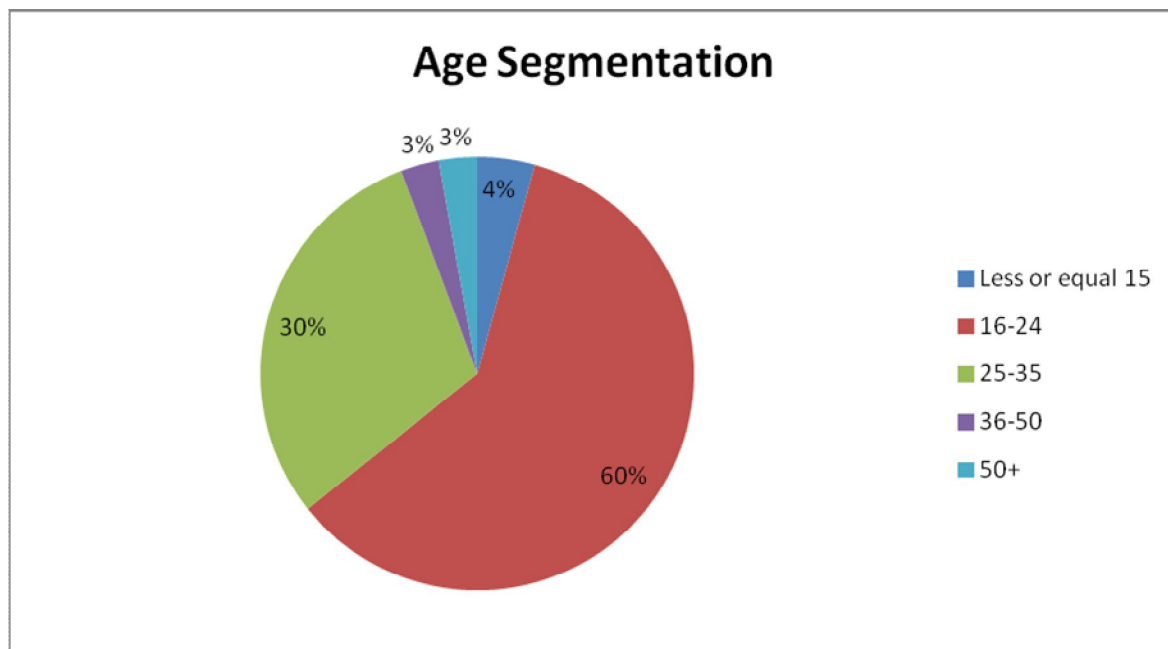
- We made our survey based on 70 people's opinion. From the survey it is clear that there is little bit difference of male and female buyers of shoe. 64% male and 36% female. As a result Lotto shoe must give focus on female customer rather than male customer by using renowned female personality in its marketing activities.
- Lotto shoe can offer more attractive, fashionable, flexible sports shoe for female customer. There they can use female sports person (Sania Mirza, Maria Serapova) in their advertisement.
- During the survey we noticed most of the people think Lotto shoe is for sports, and some of the people are not familiar to the name of Lotto Shoe, in this situation Lotto shoe

should make effective promotion strategies for their target market. They can make Television Commercials or Radio advertisement, thus people can know about Lotto shoe.

- We can target aged women, when they go for jogging they can put Lotto sports shoes those are more smooth and flexible.

3.1.2 Age Segmentation:

Age carries with it culturally defined behavioral and attitudinal norms. It affects our self-concepts and lifestyles. Normally shoe is a low involvement product. Shoe is purchased by all types of people such as student, women, office going men, sports person, child and others



Findings:

In our survey we find that, 60% people were from the age range of 16 to 24, 30% were from age range of 25 to 35, 3% people were from age range of 36 to 50, 3% people were from age range of 50+ .and 4% people were from age of less or equal 15.

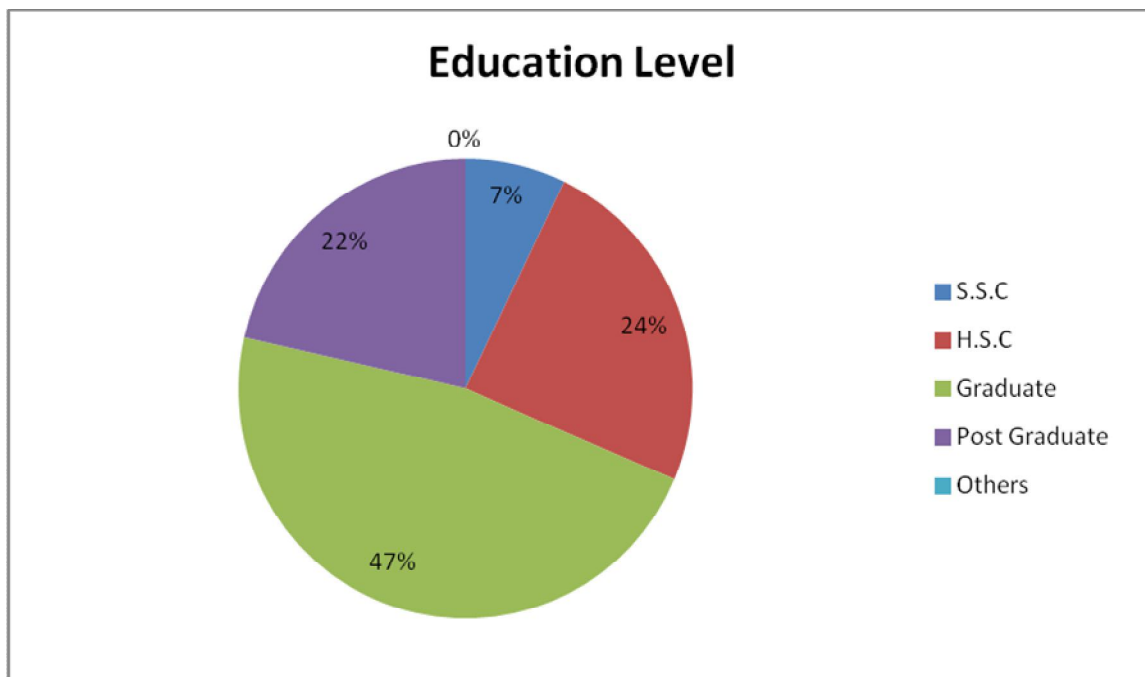
In the survey we can easily understand that most of the customer are age to 16 to 24 who buy shoe like Bata, Lotto , Apex .There are other group of people 25 to 35 are also buy shoes they are in second position. People who are 50+ and 36-50 are not usually like to buy shoe

Strategy:

- According to our survey most of the consumers are ages of 16-24 and second largest consumers are age of 25-35, as a result Lotto shoe, should give focus on 16-24 age people. Lotto can make more attractive, fashionable shoe to attract those age people more. Thus Lotto will be able to earn more revenue
- For the consumers who are 16-35 years old and mostly students and young individuals They can wear Lotto sports shoe those are more attractive and stylish they wear these shoe with Jena's, T-shirt, formal, western dress .Lotto shoe can use young and stylish sports celebrities and colorful Television Commercials and advertisements to grab more attention of these age groups.
- It is also should give focus on the consumer who are aged less or equal to 15. Most of them are teenager and child .Lotto can bring stylish, comfortable, colorful shoe they use Lotto sports shoe in school during their sports class
- As it is difficult to make aged people convinced, this market segment should not be too much emphasized, because too much focusing on large segment can cause losing of small segment.

3.1.3 Education level:

Education is the most important part of consumer behavior, it varies person to person. It has a strong influence on one's tastes and preferences. Education also influences how one thinks, makes decisions, and relates to others. However, education seldom provides a complete explanation for consumption patterns. Usually the person who is working women or men or have to go outside regularly (party, office, meeting), student, purchase shoe. In the below graph most of the people are graduate and undergraduate students who are usually buy Lotto shoe.



Findings:

In our survey we got 47% people are graduate; 24% people are from H.S.C level students and 7% S.S.C students, 22% from post graduate level. Clearly we can see that the majority people from our survey were graduates, post graduate people and higher secondary level student.

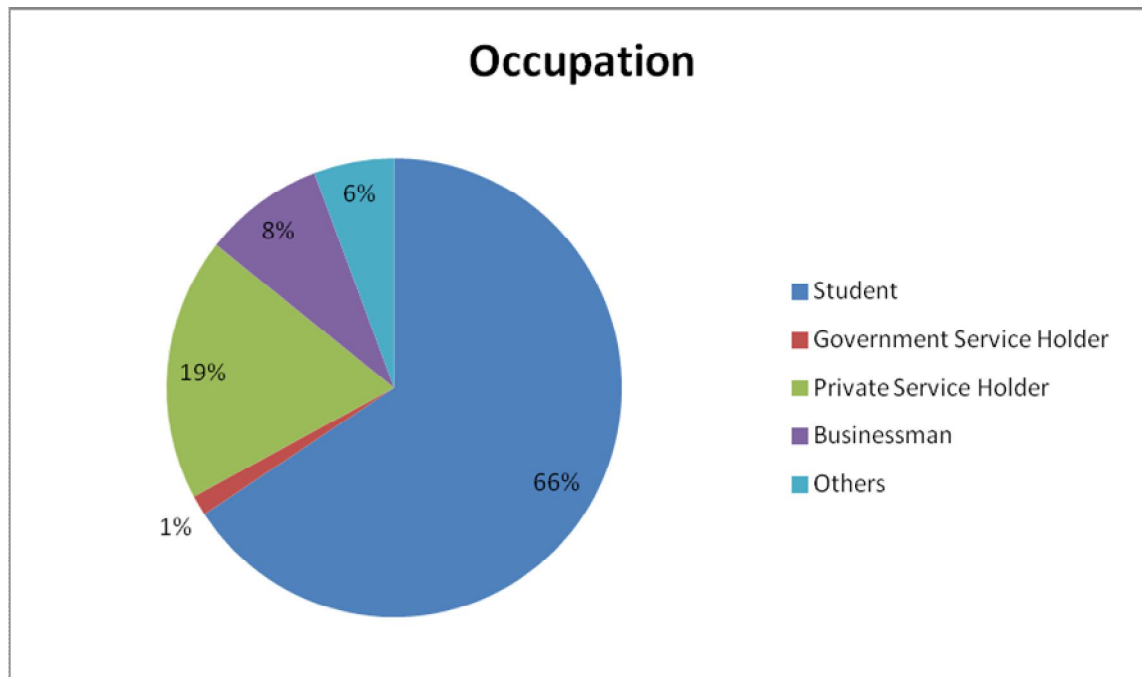
Strategy:

- Should focus on graduate and undergraduate or higher secondary level student because they are our target customer.

- As most of the customers are educated so Lotto shoe should increase the quality and appearance of their shoes.
- The advertisement can be based n college or university. It will be more emphasized on youth. Lotto can use Bangladeshi cricket, Football sports celebrity in their advertisement

3.1.4 Occupation:

From the survey we have tried to find out which types of people buy Lotto shoe. Most of the occupation predetermines the individual's income level. In the survey form there we gave some options about profession. The options were- student, government service holder, private service holder and businessman. In our asked questionnaire we have question to identify which professions respondents are appropriate target customer of Lotto shoe. Graphically the result is presenting.



Findings:

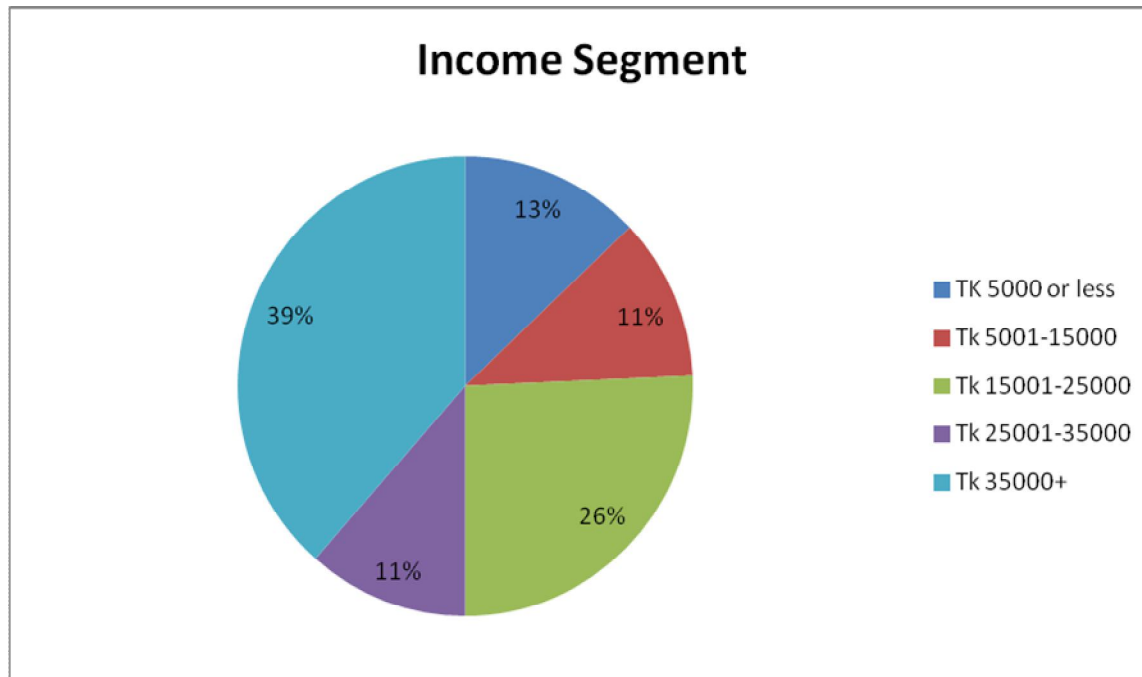
From the above the figure we can conclude that in most cases shoe are purchased by 66% people were students, 19% were private service holder, 1% were government service holder, 8% were business man and 6% from other occupation such as housewife

Strategy:

- Purchase of shoe such as Lotto should firstly focus on student secondly private service holder
- Lotto should also focus on government service holder, in our survey they are at low rate. If they want to give more focus to them it might create some problem such as increase cost, may be change design.
- Lotto shoe can also attract business class people by arranging game event. It include basketball, volleyball, tennis. Office can arrange sports competition, here Lotto can be sponsor.

3.1.5 Social Class:

Family income is highly influential in determining social class. To identify the respondent's social class we asked them about their individual income to find their actual position in the society. The below graph presenting income level of the respondents:



Findings:

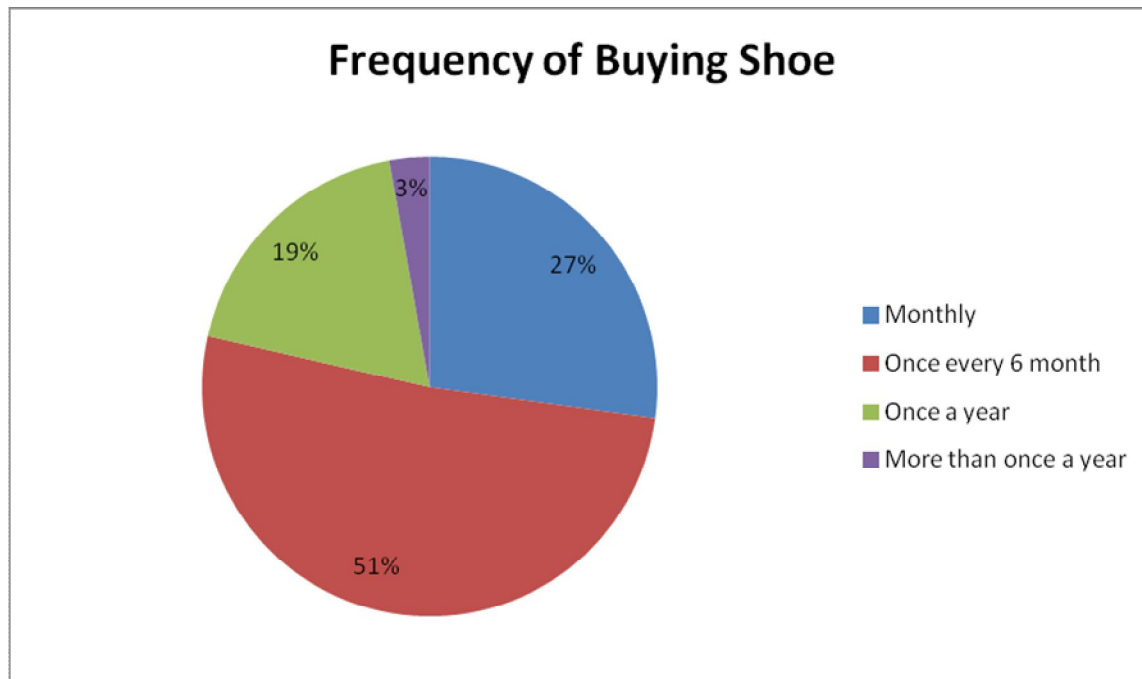
From the above figure we can see that here 39% people's family income is 35000+, 11% of people family income 25001 to 35000. 26% people's family income is 15001 to 2500. .11% of people family income is 5001 to 15000 and 13% people's family income is 5000 or less.

Strategy:

- They can also focus on upper middle class as their target market. As their incomes 35000+,
- If they offer reasonable price their costs should be deducted.
- Deduction of the cost, quality of shoe must not reduce because Lotto is an international brand they already have good image in worldwide.

3.1.6 Frequency of buying shoe:

Buying of shoes depend on people characteristic, choice, taste and others factor in varies person to person, It also depend on person's income and durability of shoes. In our survey we give some option of how frequently they buy shoe. Those options are Monthly, once every 6 month, once a year, more than once a year. The below graph presenting frequency of buying shoe of respondents.



Findings:

From the above figure we can see that here 51% people buy shoe once every 6 month that is the large portion of frequency of buying shoe, 27% of people like to buy shoe monthly basis. 19 % people buy shoe once a year. 3% of people buy shoe more than once a year.

Strategy:

- As most of the people like to buy shoe once every 6 month, marketers need to take some new promotion strategies.
- Lotto can give 50% or 20% discount in some shoe.

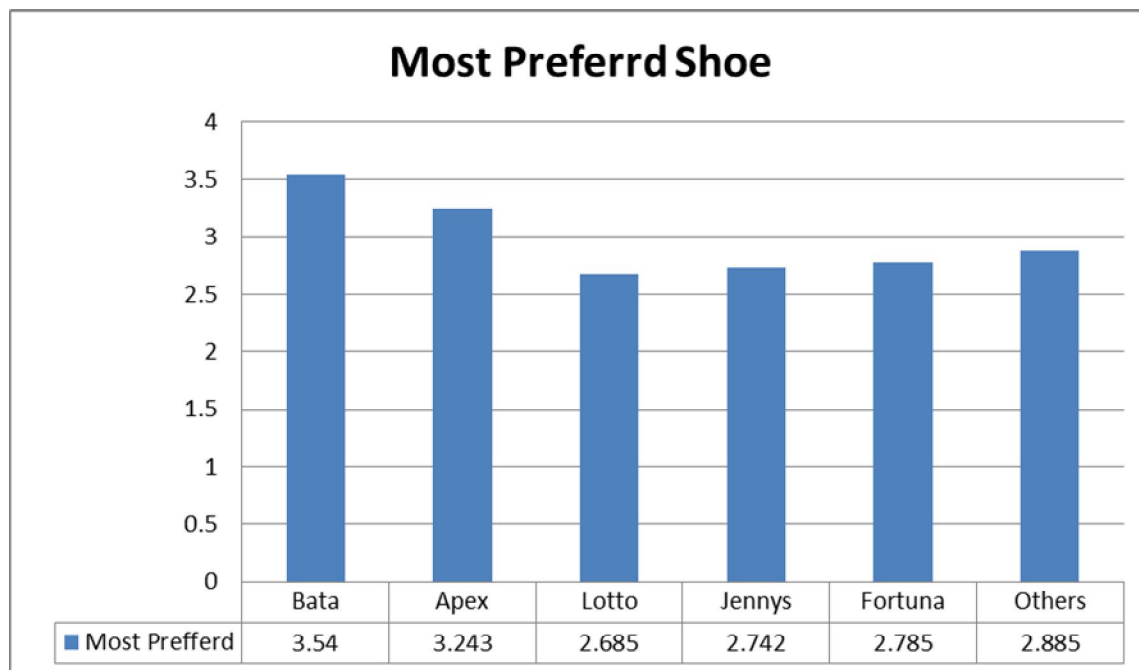
- Can offer “buy one get One” that is if any one buy shoe up to 1000 taka Lotto will give regular sports shoe.

Thus those people are not frequently buying shoes they may be interested to buy shoe more.

3.1.7 Findings about Lotto shoe

3.1.7.1 Types of Shoe company that people most prefer:

In our survey we tried to find out the most desired shoe company that people prefer, here we see that different people prefer different types of Shoe Company. In the survey some people prefer Bata, Apex some are Lotto, Jennys and so on. Basically this preference depends on their choice and personality. According to our survey we graphically present:



Findings:

In the above chart we can see that most preferred shoe company is Bata. People put 3.54% on Bata and on the other side close competitor are Apex which is in 3.243.

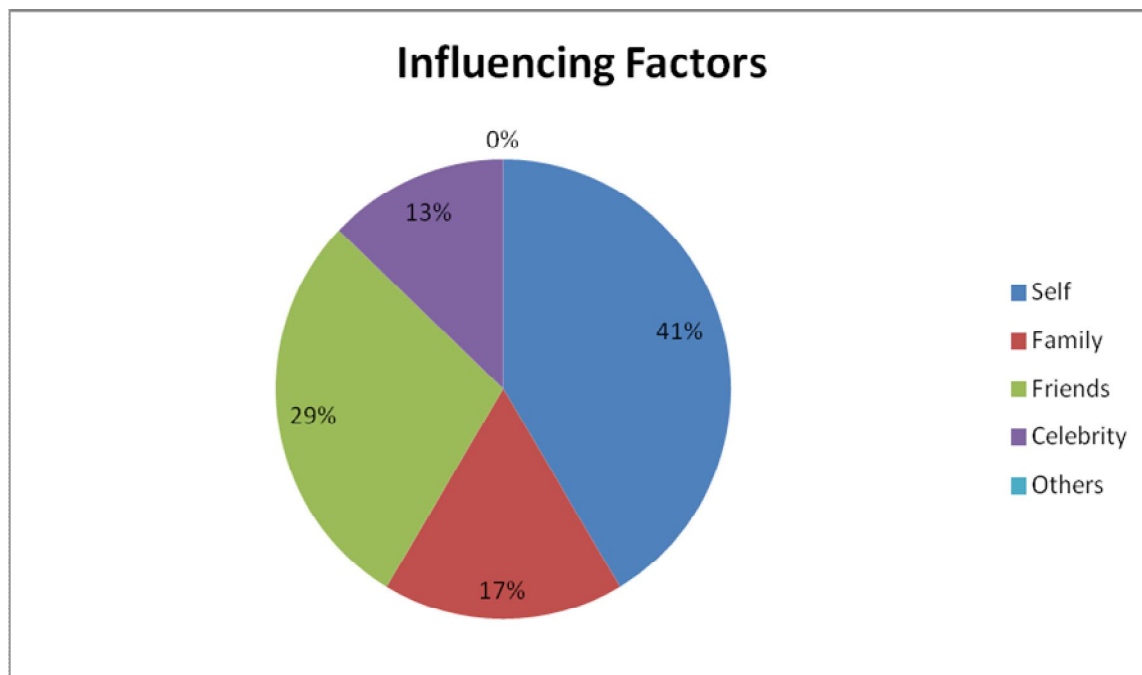
The next preferred Shoe Company is Fortuna and Jennys which is liked by 2.785% and 2.742%. Lotto brand prefer less people and the percentage is 2.685 which is close to Fortuna and Jennys. Other consecutive brands of shoe that people like most that is 2.885.

Strategy:

- Here people more like Bata, Apex , so Lotto have to find out the reason behind the likings of those brand.
- Make more advertisement, arrange events, concert thus people can know about Lotto. If people don't know about the brand than how they prefer the shoe?
- Tell people more about the flexibility, durability of Lotto sports shoe thus makes more sell than others.

3.1.7.2 Influencing behavior:

People are influenced by various factors when they purchase shoe. It can be people themselves or family or friends or any celebrity or others. We tried to find out those influencing factors which have such contribution to buy Lotto shoe. According to our survey we can graphically present:



Findings:

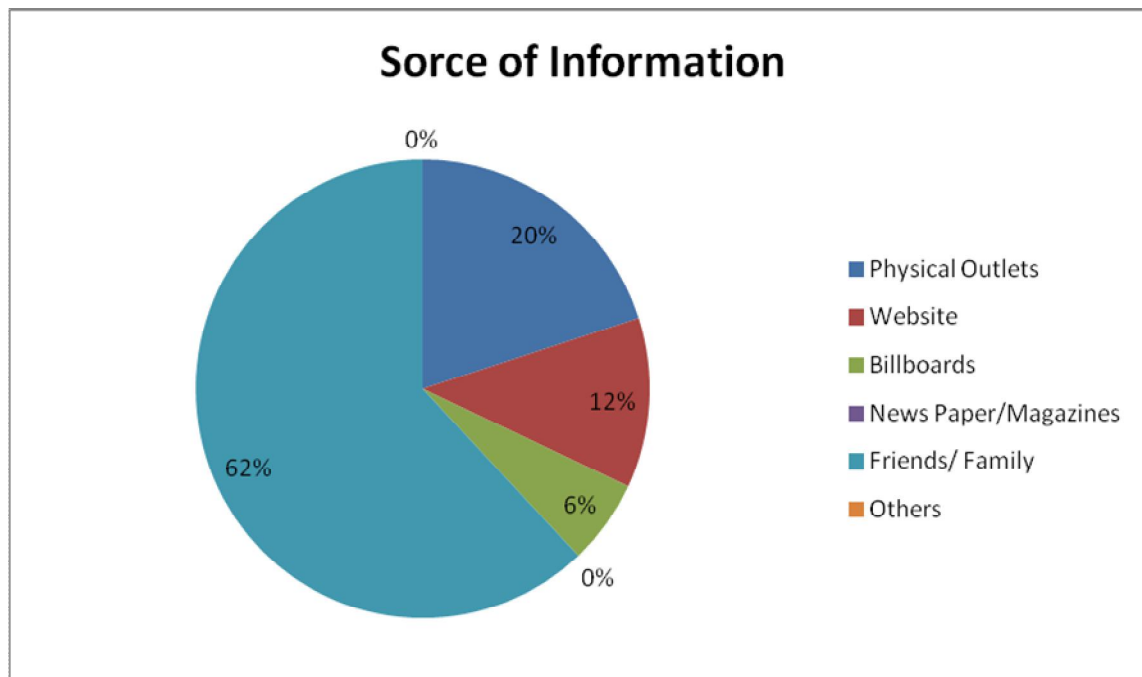
According to the graph, we can see that here 41% people buy shoe by self-judgment, they are not influence by others, 29% of people influence by friends .Family with 17 % people and celebrity with 13% have influence to buy shoe.

Strategy:

- Can make attractive advertisement that focused on friends or groups. Such as a group of friend are wearing same types of shoe party, game . Influencing by family is the second largest portion of influencing factor so in advertisement or in billboard Lotto can give family photo that give message “Come to our showroom and buy shoes for your family member and enjoy the smile”
- In our survey people are more like to buy shoe by own so Lotto can make some advertisement that focus the self-judgment thus people can buy shoe in their own decision, have to give more emphasis them because they are our target customer.
- There are 13% people are influence by celebrity, here Lotto can use popular sports celebrity in their TV commercial and can grab more profit. If a famous sportsperson wear Lotto shoe and give ads in TV, people will be more enthusiast to buy Lotto sports shoe People are more interested in celebrity’s lifestyle.

3.1.7.3 Source of information:

Publicity is one of the sources that people can know about the particular produce. More they make advertisement, more increase the sell. The company should provide enough information about the product thus customer can know about the product. Here Lotto shoe use various source of information that people can gather knowledge about Lotto



Findings:

From our survey result, we came to know that 62% of people heard about Lotto shoe from Friends and family, 20% of the people got information by physical outlets, 12% Got information by website and from billboards 6% people know about Lotto shoe.

Strategy:

- Have to maintain good quality and reputation source information about Lotto shoe is through reference of physical outlets, website, friends, family and others.

- Newspaper and magazine are the best way to communicate large number of people as it is read by people on the daily basis. So, Lotto must give more ads to involve them rationally or emotionally.
- TV commercials can transmit very clear information to people due to its movement and exposure. Lotto has to apply its classical conditioning ads more on different TV channels.
- FM Radios are getting popular day by day. So, Lotto has to spread its message through radio channels by involving famous RJ and in between popular shows.
- Billboard will help people to know about product, So Lotto can give advertisement though billboard at convenient place.

3.2 Psychological Factor:

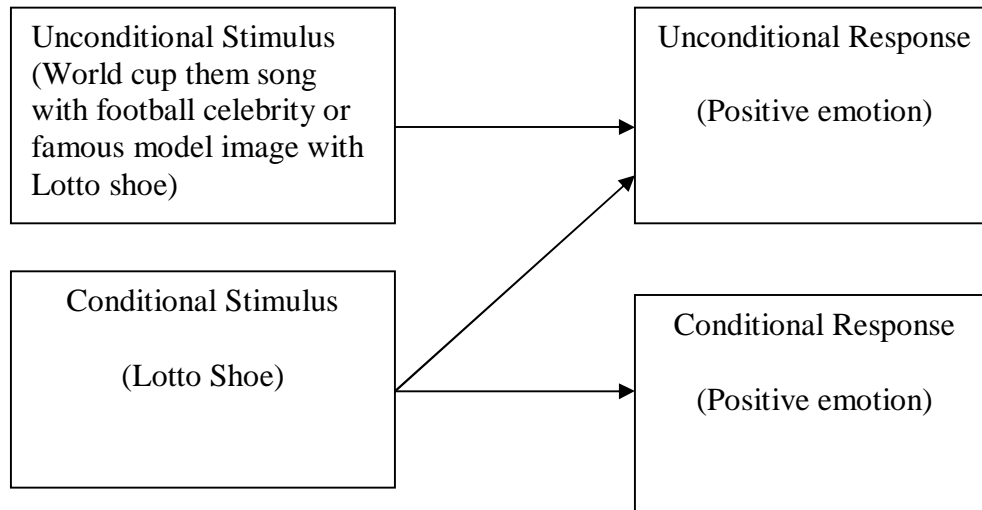
Consumer behavior is deeply influenced by Physiological factors. Psychology is the scientific study of mental functions and behaviors. These functions include perception, cognition, attention, behavior, interpersonal relationships emotion, motivation, brain functioning, and personality.

3.2.1 Classical Conditioning:

One way of directly influencing the affective component is through classical conditioning. In this approach, a stimulus the audience likes, (such as music in consistently paired with the brand name) Picture can also be used as classical conditioning. In order to change the affection of the customers Lotto shoe can adopt that technique.

They can use a football world cup them song with famous sports celebrity (David Beckham, Messi others) because Lotto sell sports shoe and it is famous in worldwide. Lotto can use famous model in their ads those are wearing Lotto shoe and say something good about Lotto. These types of advertisement grab the customer's attention. They can also affectively use the pictures of walking a long distance with Lotto shoe, as stimuli in order to appeal their target customers and increase sales.

The process of Lotto shoe classical conditioning:



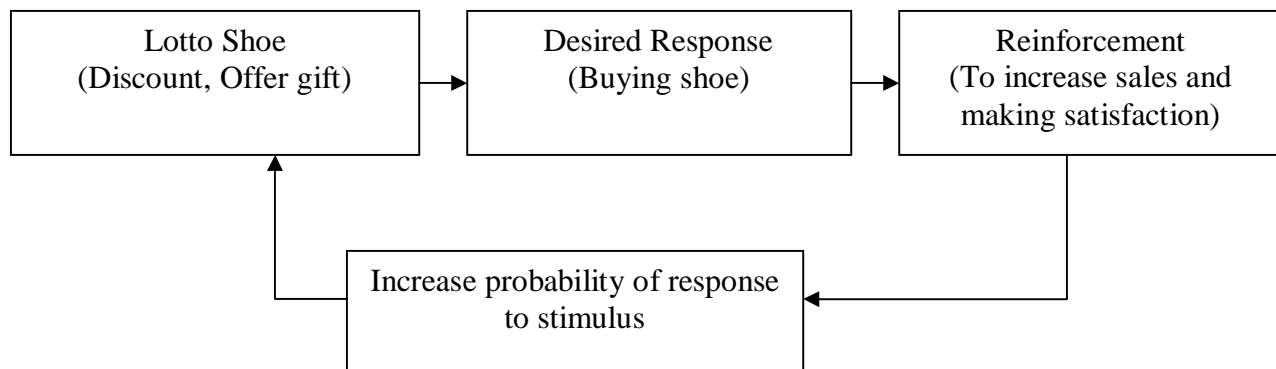
3.2.2 Operant Conditioning:

Modeling or shaping behavior by using reinforcement. Operant conditioning (sometimes referred to as **instrumental conditioning**) is a method of learning that occurs through rewards and punishments for behavior.

Behavior of the customers can be changed with the help of operant conditioning. Lotto shoe can sponsor special events to gain more recognition in the market. They can also come up with some attractive offer –

- Discount of shoe (10% to 30%)
- Gives sales in summer
- Warranty of shoes
- Offer socks as a gift, if any one buy formal shoes or snicker
- In kids zone sales person can give chocolate to kids, whatever they buy shoes or not. It attract child to comes Lotto next time and buy shoes

This type's reinforcement of Lotto shoe may help them to eventually change consumer's behavior and boost up sales.



Though the operant conditioning Lotto Shoe can provide Discount, gift, warranty for the customer to buy Lotto Shoe. If anyone Buy shoe, it will be said as desired response from customer. After getting Lotto shoe, if customer becomes satisfied, it increases probability of response to stimulus.

3.3 Memory:

Memory is total accumulation of prior learning experience. The power or process of remembering what has been learned something, remembered the things learned and kept in the mind.

It consists of two inter related components:

1. Short term memory
2. Long term memory

1. Short –Term Memory:

Short term memory is that portion of total memory that is currently activated or in use. It is often referred to as working memory. It is an active dynamic process, not a static structure. In the short term memory, consumer must consistently refresh information through maintenance rehearsal, which is the continual repetition of piece of information in order to hold it in current memory for use in problem solving or transferor to long term memory. Marketer of Lotto shoe should focus on short-term memory to increase in short period of time.

Strategy:

Lotto shoe should give more advertisement through TV commercials; Magazine, newspaper(sports page) internet, and more people will see and hear about Lotto shoe. Through continuous advertisement Lotto can grab the maximum attention of consumers and it may benefit in the long term.

2. Long –Term Memory:

Long-term memory refers to the continuing storage of information. It is viewed as an unlimited, permanent, storage. It carries numerous types of information such as concepts, decision, rules, process and affective states. Long-term memory is usually divided into two types - declarative (explicit) memory and procedural (implicit) memory. Marketer must give focus on long-term memory

Strategy:

Lotto should make some permanent strategy to set the mind of customer, when people hear the name of Lotto they must be think about comfortable and good design, sports shoe. It is permanent information storage

Schema/ Schematic Memory:

It's a long term memory. This is also known as brand image. A pattern of such associations around a particular concept is termed a schema or schematic memory; it is a complex web of association.

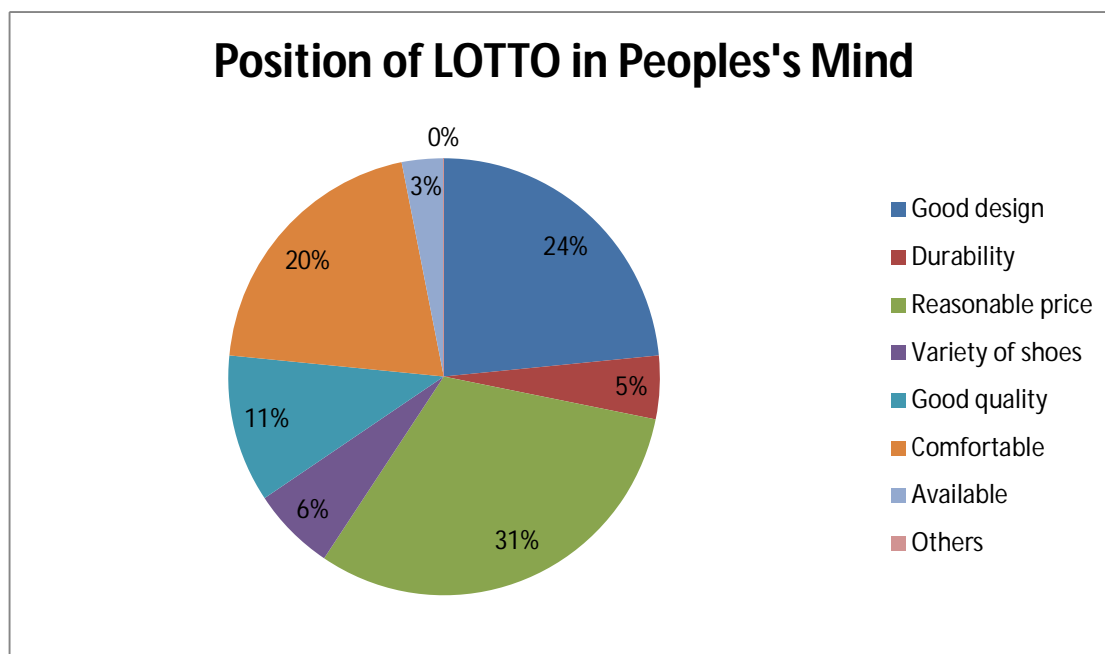
When the word come Lotto shoe on consumer's mind they automatically make link with the other words like high quality shoe, more comfortable, durable etc. Through our survey we got some web link between Lotto shoe and some other concepts and episodes.

Scheme for Lotto shoe:

3.4 Positioning of Lotto shoe:

"Product positioning" is a marketing technique intended to present products in the best possible light to different target audiences. The term product positioning is most commonly applied to decisions concerning brands, but it is also used to describe the same decisions for stores, companies, and product categories. To create and grab a good share in market one can offer consumer greater value in low price or by providing more benefit in higher price.

From our survey we have tried to find out the position of Lotto shoe. The graphical presentation is given below:



Findings:

According to our survey we found that about 31% people said that after hearing the word Lotto the characteristic reasonable price comes in their mind. 24% people think Lotto have good design, on the other side 20% people believed that Lotto shoe is more comfortable 11% people think about Lotto is its quality is good. 6% people known Lotto as variety of shoes, 5% think Lotto shoe is durable and a small amount of people 3% think about Lotto shoe is available.

Strategy:

- Need to give more focus on availability of Lotto shoe, increase the number of showroom.
- Have to concern about the price, maintain the reasonable price.
- Have to introduce variety of shoe for men and women.
- Maintain the good quality of shoes.

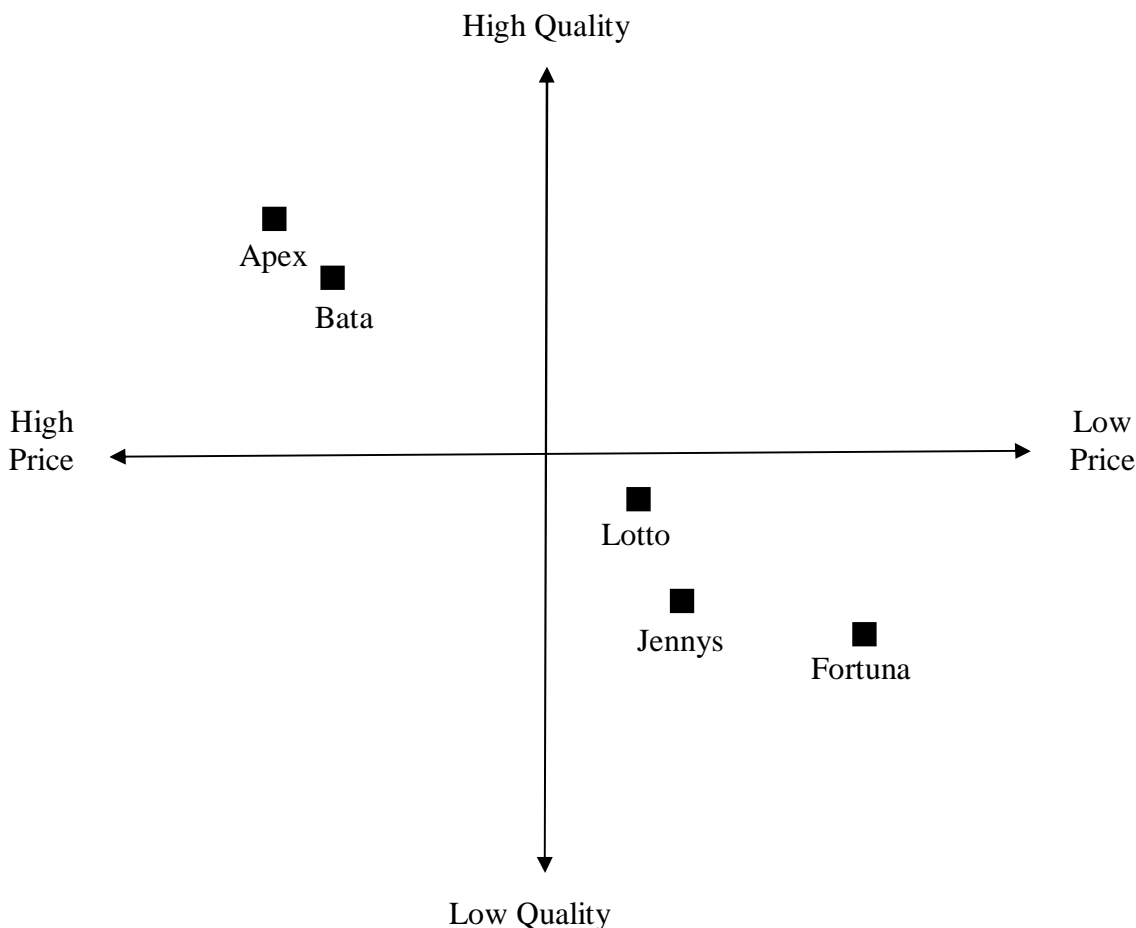
3.5 Perceptual Mapping:

Perceptual mapping a useful technique for measuring and developing a product position. Perceptual map show where existing products and services are positioned in the market so that the firm can decide where they would like to position their product. Firms have two options they can either position their product so that it fills a gap in the market or if they would like to compete against their competitors they can position it where existing products have placed their product. Data is given below which is collected from consumer survey:

Price quality chart

	Bata	Apex	Lotto	Jennys	Fortuna
Price	3.81	4.13	2.93	2.33	1.8
Quality	4.13	4.56	2.64	1.91	1.76

Perceptual Mapping of different shoes is given below:



Findings:

From the above figure of perceptual mapping, we can see that Bata and Apex are in the position of high quality and also high price. In current market situation we have to find the competitor of Lotto shoe. Therefore we see that Lotto's close competitors are Fortuna and Jennys. Though they are in low price and low quality on the perspective of the people, but the position of Lotto is quite better than Fortuna and Jennys. From the survey we can notice that people think the price of Lotto shoe is 2.93 where quality is 2.64 out of 5, but on the other hand if we see the perceptual map Jennys and Fortuna are situated more or less same position, so the price of Jennys is 2.33 where quality is 1.91. People are more satisfied with Lotto rather than Fortuna and Jennys. In this situation Lotto has to face competition they must be concerned about their product and profit. On the other side Bata and

Apex market leader. People think their quality of shoe and prices much better than others. Apex price and quality both are in high position where Bata's price is low compare to Apex but quality is in standard position.

Strategy:

- Lotto shoe must give focus on the quality of shoes they can use more flexible, smooth, comfortable sol.
- Product positioning is much more important. In this situation though Fortuna and Jennys are close competitor of Lotto so they have to ensure and set in minds people that Lotto is the only shoe company in Bangladesh that offer sports shoe and Lotto shoe is famous brand in international market.
- If Lotto want to enter in the leading position of market and want to beat Bata and Apex they have to increase the quality and design more., by doing these if the price is arise little more that is considerable in the shoe market of Bangladesh because Bata and Apex already charge high price.

3.6 Attitude Component:

An attitude is the way one thinks, feels, and acts toward some aspect of his or her environment, such as a shoe shop, a retail store, or product. In other words, an attitude can be defined as an enduring organization of motivational, emotional, perceptual, and cognitive processes with respect to some aspect of our environment. Attitude has three different components-

- A) Affective Component
- B) Cognitive Component
- C) Behavioral Component

3.6.1 Affective Component:

Affective component can be defined as the feelings or emotional reaction of a customer towards a particular product or service. The overall evaluation may be simply a vague, general feeling developed without cognitive information or beliefs about the product. In our survey we find people's feelings about Lotto shoe.

Felling about Lotto shoe is shown below according to the survey:

Statements	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
I am satisfied with the quality of Lotto shoe	5	36	23	6	0
I am satisfied with the appearance of Lotto shoe	5	28	36	1	0
Lotto shoe is overpriced	20	22	17	11	0
I am satisfied with the design of Lotto Shoe	4	31	29	6	0
I like Lotto Shoe	2	23	38	7	0

Findings:

Lotto shoe survey where 70 random people took part. From the above table we can see that Among 70 surveyed people 5 people are strongly agree , 36 people are agree , 23 people neutral 6 disagree and 0 strongly disagree with the statement of “I am satisfied with the quality of Lotto shoe”. With the statement of “I am satisfied with the appearance of Lotto shoe” 5 people are strongly agree, 28 people are agree , 36 people neutral 1 disagree and 0 strongly disagree. On the other side 20 people are strongly agree , 22 people are agree , 17 people neutral 11 disagree and 0 strongly disagree with the statement of “ Lotto shoe is overpriced”. The statement of “I am satisfied with the design of Lotto Shoe” here 4 people are strongly agree, 31 people are agree, 29 people neutral 6 disagree and 0 strongly disagree. At last 2 people are strongly agree, 23 people

are agree, 38 people neutral, 7 disagree and 0 strongly disagree with the statement of “I like Lotto Shoe”.

Changing Affective Component:

Marketers use three basic approaches to directly increase affect which are classical conditioning, affect toward the ad itself and mere exposure. By successfully using those three approaches Lotto can change the affective component and influence consumer’s likings without directly influencing their belief or behavior.

1. Classical Conditioning:

One way to directly influence the affective component is classical conditioning. In order to change the affection of the customers Lotto shoe can adopt that technique. They can use a football world cup them song with famous sports celebrity (David Beckham, Messi others) because Lotto sell sports shoe and it is famous in worldwide. Lotto can use famous model in their ads those are wearing Lotto shoe and say something good about Lotto. These types of advertisement grab the customer’s attention. They can also affectively use the pictures of walking a long distance with Lotto shoe, as stimuli in order to appeal their target customers and increase sales.

2. Affect towards or website:

Lotto can design its website and make it more colorful and catchy. Though Lotto is an international brand so in their webpage there have countries name where Lotto product sell they can put advertisement on famous social networking sites such as Facebook, twitter. In Bangladesh the facebook address is <https://www.facebook.com/bdlotto>. In the website we can also see variety of Lotto shoe.

3. Mere Exposure:

A psychological phenomenon whereby people feel a preference for people or things simply because they are familiar. The marketers of Lotto try to expose their product more and more in

front of customer's eyes. They can do it by continuous repetition of advertisement in front of customer. Lotto shoe can use frequent commercial advertisement to increase liking and enhance sales.

3.6.2 Cognitive Component:

The Cognitive component consists of a consumer's beliefs about an object. In order to measure the cognitive component towards shoe shop, we have asked random people to place their beliefs for ideal shoe shop.

From our survey, we have tried to find out the cognitive component of Lotto shoe. We find that different people have different opinions and beliefs about Lotto's shoe, The M.S Excel analysis are shown below, on the other side Lotto's close competitor of Fortune's cognitive component. We also made a M.S Excel analysis of Fortuna.

To measure the cognitive component we have placed the following questions.

	5	4	3	2	1	
High Price	_____	_____	_____	_____	_____	Low Price
High Quality	_____	_____	_____	_____	_____	Low Quality
Attractive Design	_____	_____	_____	_____	_____	Poor Design
More comfortable	_____	_____	_____	_____	_____	Less comfortable
More Available	_____	_____	_____	_____	_____	Less available

In the graph people put the point from 1 to 5 of different belief about Lotto shoe. (5- most preferable, 1- least preferable) There we also include a table of consumers belief about the "Ideal Shoe shop".

Figure: Measuring Weight Table

Attributes	Weight (%)
Price	25%
Quality	20%
Design	18%
Comfortable	22%
Available	15%

Based on the survey, we found that people gave 25% weight on price, 20% on quality. People give 18% on design and 22% on comfortable. Consumer gave only 15% on availability of shoe. Here we can see that people gave more importance on price, comfortable of the shoe. They also give attention on quality of shoes. People are not much bother about availability of shoe. There is high weight of price of shoes because people think if the quality of shoe is good marketer can charge premium price.

Excel Analysis of Lotto shoe

Lotto

	Price	Quality	Design	Comfortable	Available
Total	262.5	243	237	240.8	183.4
Average	3.75	3.47	3.38	3.44	2.62
Ideal Average	3.24	4.04	3.97	4.25	4.11
Deviation (A-I)	0.51	-0.6	-0.6	-0.81	-1.49
 A-I 	0.51	0.6	0.6	0.81	1.49
Total Deviation	4.01				
Weight	0.25	0.2	0.18	0.22	0.15
Weighted Average	0.1275	0.12	0.11	0.178	0.224
Total	0.7572				

Here Lotto cannot touch the expectation of customer. People are not satisfied in price, quality, and design, comfortable, available of Lotto shoe. In terms of design customer are quite happy. Lotto has to give importance on price the most important attribute. People think Lotto need to improve more in every sector. Though Lotto is a Italian brand and quite new in Bangladesh, they need to take some time. Thus they will able to compete with other existing brand.

Excel Analysis of Fortuna

Fortuna

	Price	Quality	Design	Comfortable	Available
Total	259	227	214	217	189
Average	3.7	3.24	3.06	3.1	2.7
Ideal Average	3.24	4.04	3.97	4.25	4.11
Deviation (A-I)	0.46	-0.8	-0.9	-1.15	-1.41
 A-I 	0.46	0.8	0.9	1.15	1.41
Total Deviation	4.72				
Weight	0.25	0.2	0.18	0.22	0.15
Weighted Average	0.115	0.16	0.16	0.253	0.212
Total	0.9015				

In the above analysis the position of Fortuna is not up to the mark. People are not satisfied to price, quality, design, comfortable and availability of Fortuna. The quality and comfortable is very low in customer opinion, Fortuna is also not so available and the price is little bit more .

Comparison Between Lotto and Fortuna:

By analysis the Excel of Lotto and Fortuna we tried to make a comparison between Lotto shoe and Fortuna.

The price of Lotto and Fortune is similar there is not significant change (Lotto price 3.75, Fortuna price 3.7). On the other side in quality the position of Lotto is quite better than Fortuna (Lotto quality 3.47, Fortuna quality 3.24). If we see at design there also Lotto is in good position rather than Fortuna (Lotto design 3.38, Fortuna design3.06), On the other side comfortable of

Lotto is better than Fortuna (Lotto comfortable 3.44, Fortuna comfortable 3.1) At last in availability of shoe Fortuna's position is good than Lotto(Lotto availability 2.62, Fortuna availability 2.7). In overall the position of Lotto in market is better than Fortuna.

Changing the Cognitive Component:

An effective approach to change attitudes is to focus on the cognitive component. Lotto shoe can change the consumer's belief in order to boost up their sales and survive in the competition. Marketer can change the cognitive component through different methods those are-

- Change the belief
- Shift importance

1. Change the belief:

Changing one belief about a brand may result in other beliefs changing to remain consistent with the changed belief. Customers think that, Lotto need to focus more on comfortable and availability and quality. If the maintain a standard form of quality, comfortable and availability of shoe people's belief about Lotto will change day by day.

2. Shift Importance:

Shifting importance is essential in this situation, we can see in survey that people are not satisfied in quality, comfortable and availability of shoe. Therefore Lotto have to ensure people for best product and give more focus on those weak part and try to convene customer but attractive offer, advertisement, As a result they might be able to make a good position in market and inherit profit.

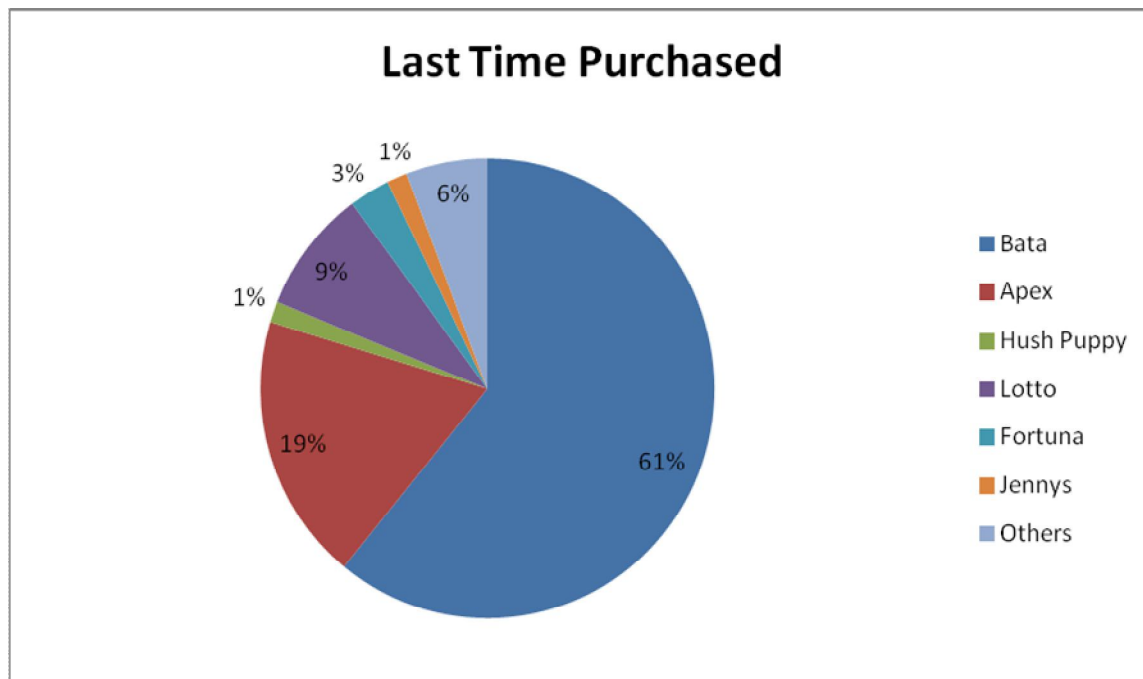
3.6.3 Behavioral Component:

The behavioral component of an attitude is one's tendency to respond in a certain manner toward an object or activity. A series of decision to purchase or not to purchase a product or to recommend it or other brands to friends reflect the behavioral component. The behavioral

component tries to predict the actual behavior of consumers. We have asked the following questions to predict consumer's behavior toward Lotto shoe.

3.6.3.1 The result of survey about last time purchased Shoe:

From the survey we have tried to find out the result that which shoe company shoes they have purchased last time. The result is shown below-



Findings:

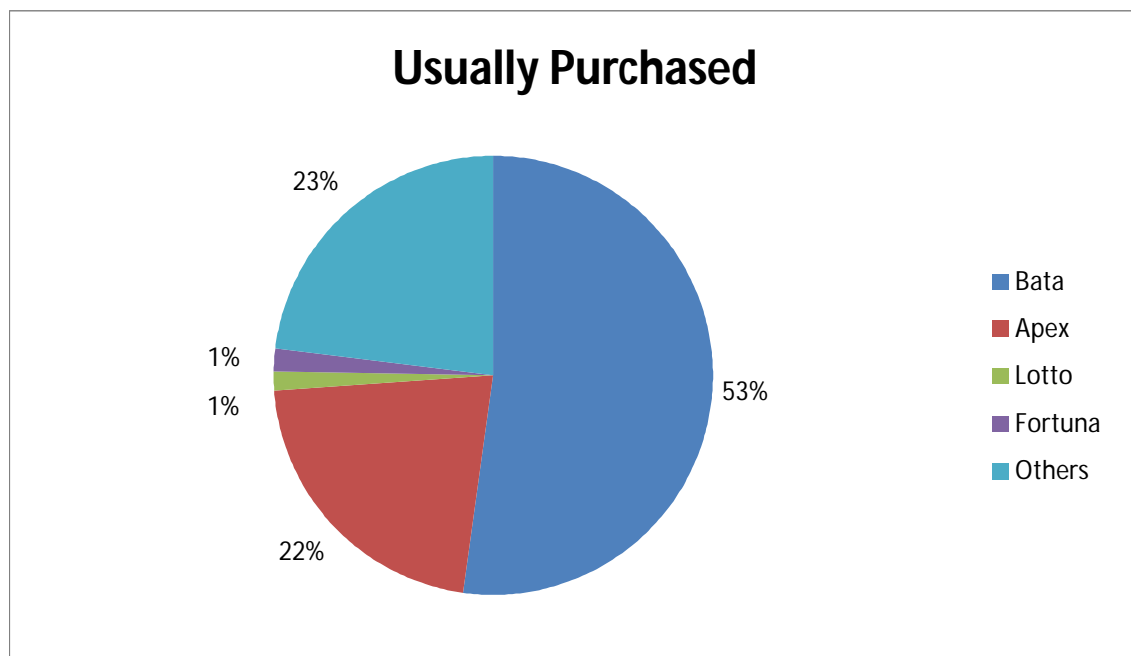
In our survey we asked 70 people. Among them 61% people purchased Bata shoe last time, 19% people purchased Apex, 9% people purchased Lotto, 6% people purchased by others shop such as (local shop, new market, mirpur etc), 3% people by from Fortuna, From Hush puppy and Jennys, 1% people buy shoes in last time. Here we see that, the largest competitor of Lotto is Bata, Apex. So Lotto has to take some steps for survival.

Strategy:

- Bata is in the leading position of purchasing shoe in last time. Apex is in second position, but the position of Lotto is not so satisfactory there is huge difference .but the close competitors Fortuna and Jennys position is poor than Lotto. Lotto has to give focus on promotion because most of the people have less knowledge about the brand
- When people think to buy shoes they only think Apex or Bata. Lotto has to change the perception of people by seeing more advertisement, offering more quality, fashionable sports shoe that can attract the customer of Bata or Apex. Therefore people will be more interested to buy Lotto shoe.

3.6.3.2 The result of survey about usually purchased Shoe:

In our survey paper we asked another question about “usually purchase which shoe”. The result is shown below in graphical presentation.



Findings:

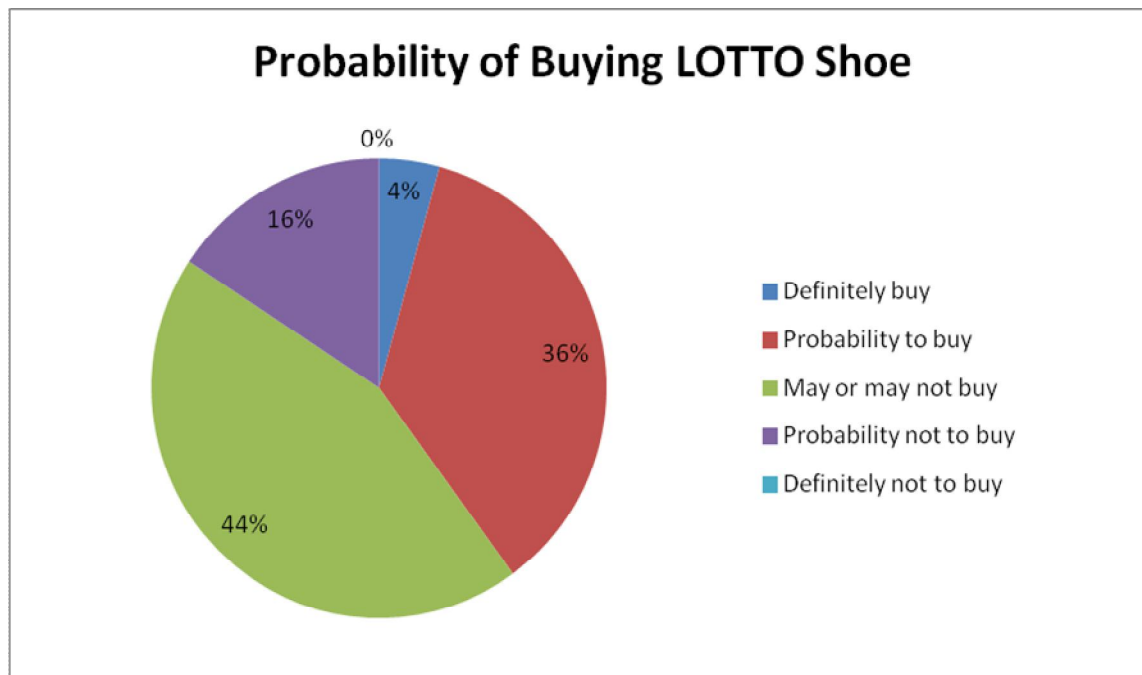
From the survey 52% people usually buy from Bata, 23% people like to purchased shoe from others shoe shop (local shoe shop) ,22% people usually buy from Apex, 2% people buy shoe from Lotto and 1% people usually purchased shoe from Fortuna.

Strategy:

Lotto must be try to improve their sales because in market the big portion is capture by Bata , Apex. Lotto shoe can give focus on shoe price, make more attractive, fashionable shoe to grab the customer of Bata, Apex. Otherwise Lotto may lose its market share.

3.6.3.3 Probability of buying Lotto shoe:

In our survey there we asked a question to know how many people are interested to buy Lotto shoe next time, The answer of the question that we have found from the survey is presented graphically:



Findings:

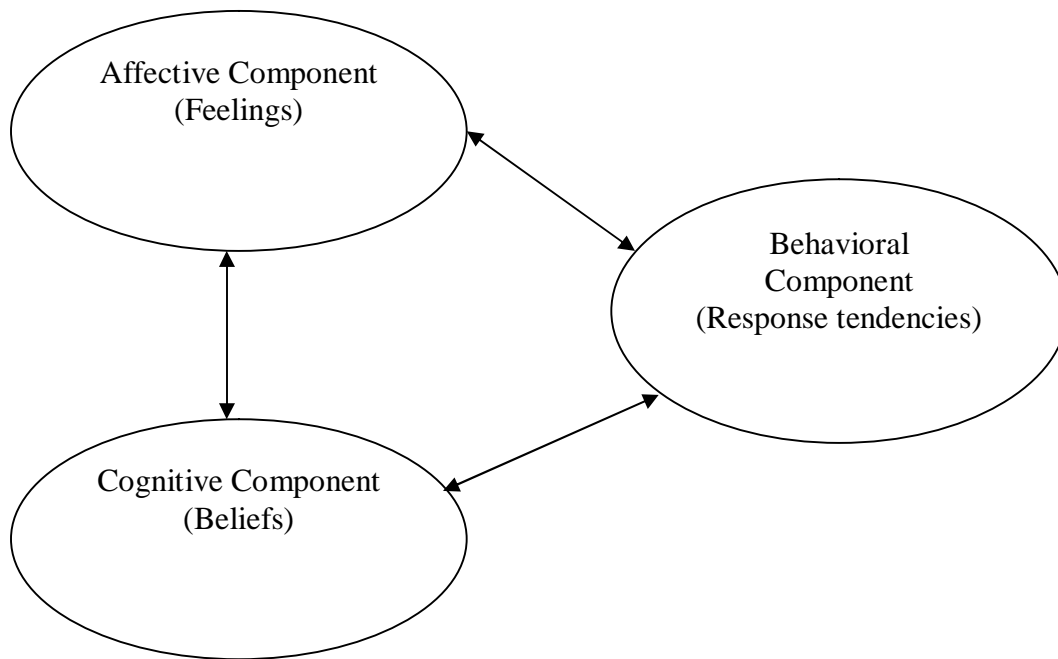
According to the graph, 44% people said that they may or may not buy Lotto shoe next time, 36% people have probability to buy Lotto shoe. 16% people have probability not to buy Lotto shoe. 4% people definitely buy Lotto shoe. It is a good thing that no one (0%) said that they definitely not to buy Lotto shoe.

Strategy:

36% people have the probability to buy Lotto shoe next time. There is a chance to make people more reliable about the brand also influence people to switch their existing brand. A large portion people have confusion about the brand here Lotto should make survey to know opinion of should improve the weak point and try to satisfy the customer. Lotto can give focus of latent demand of customer such as what type of design, appearance, color people want. By doing these Lotto have an opportunity to increase the probability of buying shoes in next time.

3.6.3.4 Changing Behavioral Component:

Behavioral component is one of the important component. Behavior specifically purchase or use behavior, may precede the development of cognition and affect. Or it may occur in contrast to the cognitive and affective component. An athlete may not like the sports shoe of Lotto however in a competition of Lotto sponsor of the sports program in this situation the sportsperson have to wear Lotto sports shoe. Here Lotto make belief to the customer mind that Lotto shoe is the best shoe in shoe's world, and have to create positive attitude towards the customer brand.



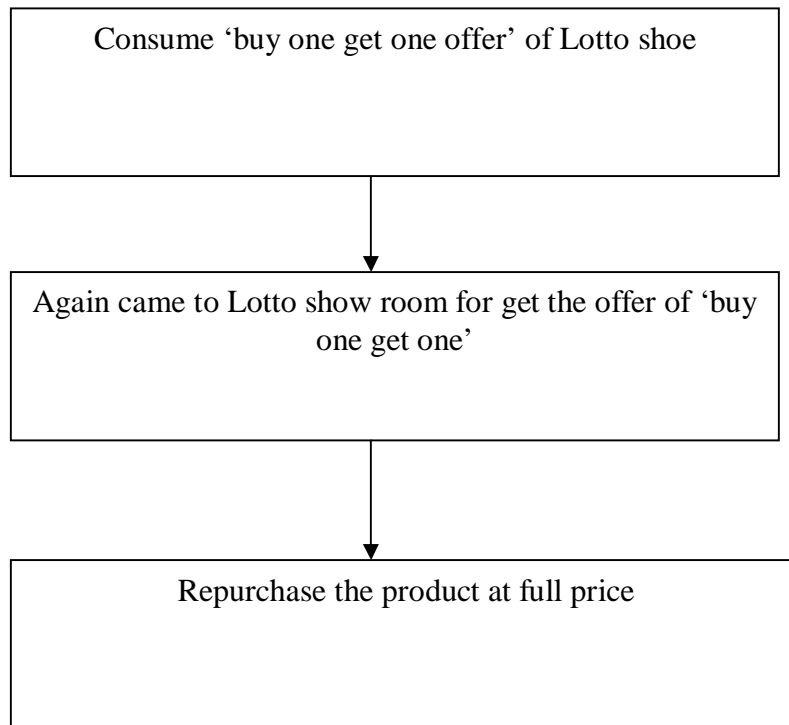
3.6.3.5 Strategy to Change Behavioral Component:

There have some strategy that marketer can use to change the behavioral component. Strategies are-

- Operant conditioning
- Component consistency

1. Operant Conditioning:

Operant conditioning involves rewarding desirable behaviors with appositive outcomes that serve to reinforce the behavior. Behavior of the customers can be changed with the help of operant conditioning. Lotto can sponsor special events(sports event, fashion show , movie) to gain more recognition in the market. They can also come up with some discount, coupon, buy one get one offer) so people will be more interested to buy Lotto shoe next time and recommend people to purchase Lotto shoe next time.

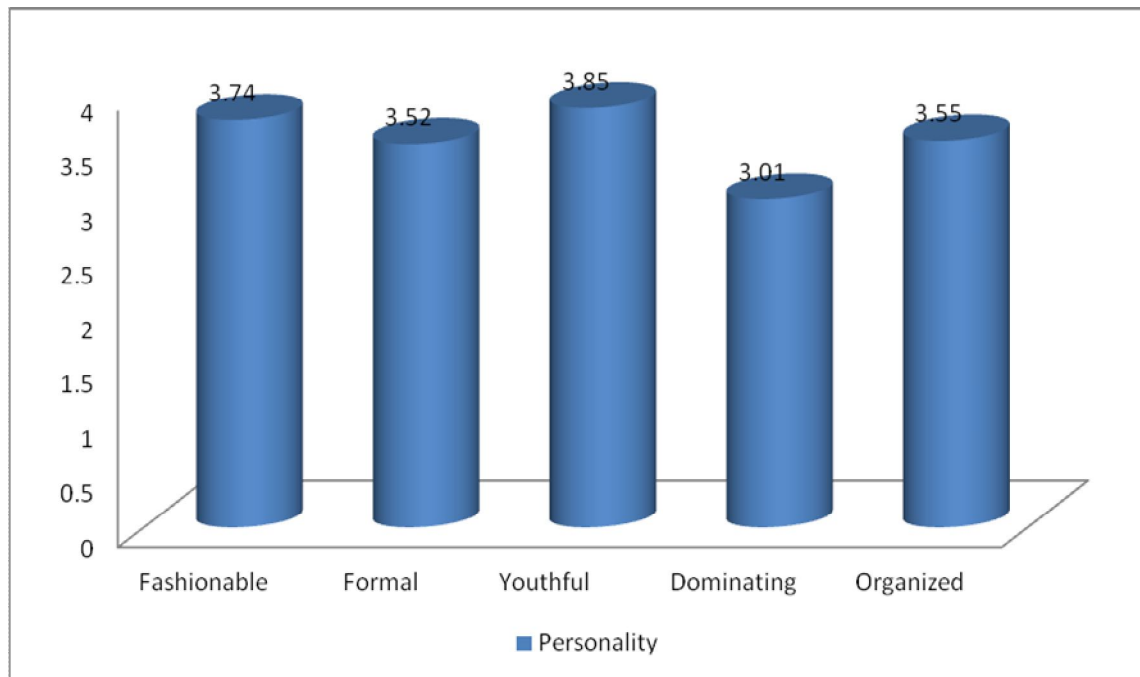
The process of shaping in Purchase Behavior:**2. Component Consistency:**

A change in one attitude components tends to produce related changes in other components. Marketing managers are ultimately concern with the influencing behavior. It is often difficult to influence behavior directly. Consumers will often listen to sales personnel, attend to advertisements, or examine packages. Marketers can therefore, indirectly influence behavior by providing information, music or other stimuli that influence a belief or feelings. Lotto can use trained salesperson those motivate customer to purchase shoe.

3.6.4 Personality:

Personality is made up the characteristic patterns of thoughts, feelings, and behaviors that make a person unique. It arises from within the individual and remains fairly consistent throughout life.

We meet various types of people with various personalities during the survey. This survey shows the personality of the people who took part in this survey. Graphically presentations shown below:



Findings:

In the survey we have taken some criteria which define personality of those people, Those criteria are fashionable/ simple, formal/ informal, youth/ adult, dominating/ submissive and organized/ unorganized. Based on the above graph we are able to know about the personality. Here we can say that Lotto shoe should give focus youth and fashionable and design their product according to the people's personality. Most of the people are formal, organized so Lotto must think about those formal people. Marketers should consider about peoples peronality when they promote their product.

Strategy:

- Lotto shoe should concern about its consumer's personality and self-concept which will help it to collect its consumer perfectly.

- When Lotto is going to promote products or promotional activities, it must focus on the factors such as fashionable, formal, dominating nor submissive, youthful and organized.
- Lotto can sponsor different outdoor games also indoor game. University college student participate in those games know about Lotto more, thus Lotto grab the target customer
- Can arrange fair in various institution, office. So formal people can know the variety of Lotto sports shoe.

4.Current Marketing Strategy and Analysis:

4.1Newspaper Advertisement

Lotto is currently using Newspaper Advertisements.

The image shows a collage of newspaper advertisements for Lotto. The central and largest advertisement is from the 'Baangladesh Pratidin' newspaper. It features a prominent image of a blue and yellow Lotto sneaker. Above the shoe, the text 'Lotto ITALIAN BRAND' is visible. Below the shoe, there is a section titled 'Lotto Sports Shoe' which lists various models and their prices. To the left of the shoe, there is another section titled 'Lotto Sports Shoe' with a list of products and prices. At the bottom of the collage, there is a small advertisement for 'MEGHNA CEMENT MILLS LTD' with the text 'Notice to the Shareholders'.

Lotto should use some other popular Newspaper for their Advertisements like: Prothom Alo, Daily Star etc.

4.2 Discount Offer

4.2.1 Grameenphone STAR Customers

Lotto is giving discount ‘**Grameenphone STAR Customers**’ which is promoted by both Lotto and Grameenphone.

Grameenphone STAR PROGRAM

Privilege for
Grameenphone STAR Customers
at Express Leather Products

Tk. 1000 Off
on all Lotto Running Shoe

To avail the offer:

Go to message option → Type Lotto → Send SMS to 9000*

GP/GPIT Employees:
[Type DIS <space> Lotto & send to 333]

Please confirm your GP STAR status
at Cash Counter before Invoice Preparation

*SMS Charge Tk. 2 & 10% VAT Applicable

lotto **grameenphone**

It may increase their sales as well as high income customer.

4.2.2 Lotto SPORTY OFFER

Lotto is giving 'Lotto SPORTY OFFER' 'Banglalink Priyojon Customers' which is promoted by both Lotto and Banglalink.



It may increase their sales as well as high income customer.

4.3 Buy 1 Get 1 Free

Lotto is doing a promotion 'Buy 1 Get 1 Free'.



4.4 Musical Program

To attract young consumer Lotto doing some Musical Program.



Lotto is using other popular brand's outlets for selling Lotto shoe which may increase their sell as well as popularity.

4.5 Lotto Flagship Outlets

lotto ITALIAN BRAND

01754201420
01731256625

Galerie Apex
Bay Emporium
JG
meena bazar
Agora

lotto FLAGSHIP OUTLETS

- Sector-3, Uttara (Beside Aarong)
- 39, Elephant Road
- Lalkhan Bazar & Chawkbazar Chittagong
- Gulshan 2 (Opposite Pink City)
- Shib Bari Mor, Khulna
- Zinda Bazar & Nayasarak Sylhet

4.6 Sponsorship of Lotto

Lotto is the Official Kit Sponsor of Bangladesh U22 National Football Team and Bangladesh Women's Football Team. It may increase their popularity among the football lover.



5. Recommendation

Lotto shoe is one of the prominent sports shoe company in worldwide. It is famous for its durability, comfortable and design. From the survey we can conclude some recommendations for Lotto shoe which regained from the customers' opinion. Lotto shoe can follow the following strategy

5.1 Brand Image:

During the survey we found that most of the people have not so much knowledge about Lotto. Some people have wrong beliefs about Lotto. We recommend changing those beliefs and concern about their brand image first. They can be a unique brand if they can establish Lotto as Sporty Shoe Brand.

5.2 Product Renaming:

Cycling is so much popular in Bangladesh. Lotto can use that popularity by renaming one of their shoes to '**Lotto Cycling Shoe**'. It may help consumer to remember shoe name easily.

5.3 Advertisement

To establish Lotto as Sporty Shoe Brand, we recommend some advertisement strategy:

5.3.1 Bill Board Advertisement:

Lotto can use billboard for their advertisement. The billboard should be in eye level. We recommend some place like Sahbag, near Bangladesh Tennis Complex, Gulshan, near Banggobondhu Stadium and near Mirpur Stadium etc.



5.3.2 TV Advertisement:

Lotto may choose TV advertisement during the sports season like: ICC World Cup, ICC T20 World Cup and others.

5.3.3 News Paper Advertisement:

Lotto should use some other popular Newspaper for their Advertisements like: Prothom Alo, Daily Star etc.

5.4 Sponsorship:

Lotto can diversify their sponsorship from football to other sports which may give them popularity quickly.

5.5 Sports Competition:

Lotto can arrange some sports competition among the universities of Bangladesh. It may people's interest to know about Lotto Shoe. We recommend arranging -

- Inter University Cricket Competition,
- Inter University Football Competition,
- Inter University Tennis Competition (Male),
- Inter University Tennis Competition (Female)
- Inter University Cycling Competition.



5.6 Arrange Concert:

Most of the sports lovers are young and they love music. Lotto can arrange concert that may help in their promotion.

5.7 Availability:

Lotto have to increase the number of their branch. They can make branch in front of mirpur stadium, Indoor stadium and other convenient places.

6. Conclusion

Lotto is one of the renowned brands in worldwide. Though it is an Italian brand and quite new in Bangladesh, so it will take time to grab the competitive market in Bangladesh. In the overall survey we see that people are not so familiar with the name of Lotto but it is one of the sports shoe company in Bangladesh though they have other item. Lotto has a great opportunity of success in Bangladesh they can get more loyal consumers and grab a good market share in the shoe industry.

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